



KAREN L. SMITH, MD, MPH
Director & State Health Officer

State of California—Health and Human Services Agency
California Department of Public Health



EDMUND G. BROWN JR.
Governor

OFFICE OF AIDS (OA)
AIDS Drug Assistance Program (ADAP)

Management Memorandum
Memorandum Number: 2015-21

Date: December 1, 2015

TO: LOCAL ADAP COORDINATORS
ADAP ENROLLMENT WORKERS

SUBJECT: OA-HIPP CLIENT LETTER REGARDING BLUE SHIELD OF
CALIFORNIA REFUNDS FOR 2014

The Affordable Care Act requires insurance plans to issue refunds to clients if the plan does not spend at least 80 percent of the premiums received on health care services. In 2014, Blue Shield of California did not meet this requirement. Clients who were co-enrolled in Blue Shield of California and Covered California were sent refund checks in September 2015.

The purpose of this memo is to inform enrollment workers that clients who had their Blue Shield of California Covered California premiums paid for by OA-HIPP in 2014 and received refunds for the above reason will receive a letter from the California Department of Public Health (CDPH). The letter, which is attached for your reference, informs clients to send the full or partial refund amount to OA-HIPP in the form of a cashier's check or money order, made payable to CDPH HIPP Program, and mail to:

CDPH, HIPP Program
P.O. Box 997426, MS 7704
Sacramento, CA 95899-7426

Please contact your OA ADAP Advisor if you have any questions regarding the content of this memo. The most current "OA/ADAP Staff Assignments by LHJ" list is available on the OA website at:

<http://www.cdph.ca.gov/programs/aids/Documents/ADAPStaffLHJAssignments.pdf>

A handwritten signature in black ink, appearing to read "Chris Unzueta". The signature is written in a cursive, flowing style.

Chris Unzueta, Chief
Insurance Assistance Section
Office of AIDS

Attachment



KAREN L. SMITH, MD, MPH
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[Date]

Name
Address
City, State ZIP

Dear _____,

You are receiving this letter because you were co-enrolled in a Blue Shield of California Covered California health plan and the California Department of Public Health (CDPH), Health Insurance Premium Payment (HIPP) program. Based on information given from your health plan, you were issued a refund check in the amount of \$_____ on **(insert date)**.

The Affordable Care Act requires all insurers to provide a refund to customers if the insurer does not spend at least 80 percent of premiums it receives on health care services during the calendar year. This refund was sent to you because Blue Shield of California did not allocate the expected amount of premiums towards all members' health care services during 2014. Because HIPP is the payer of last resort and paid your health insurance premiums on your behalf for the following months **(insert pay period refund check was sent for)**, \$_____ must be returned to HIPP in the form of a cashier's check or money order, made payable to CDPH HIPP Program, and mailed to:

CDPH HIPP Program
P.O. Box 997426 - MS 7704
Sacramento, CA 95899-7426

Please return a copy of this letter with your payment and include your name and date of birth on the cashier's check or money order.

Please contact me at (916) xxx-xxxx if you have any questions regarding this letter.

[analyst name]